

Remuneration Report – Duna House Holding Nyrt.

2023

The Company’s Board of Directors publishes the Company’s Remuneration Report in line with the Executive Remuneration Policy promulgated in line with the provisions of Act LXVII of 2019 on the Encouragement of Long-Term Shareholder Engagement and Amendments of Certain Regulations for the Purposes of Legal Harmonisation and adopted with Decision **29/2023 of 17 April** by the Company’s General Meeting.

1. Total remuneration in 2023

a. Remuneration of the members of the Supervisory Board

In their capacity as members of the Supervisory Board, the members of the Supervisory Board shall receive only a fixed monthly fee. The General Meeting of the Company decided on the amount of the remuneration for the financial year 2023: the members of the Supervisory Board were entitled to a remuneration of HUF 200,000 per month per member, and the Chairman of the Supervisory Board was entitled to a remuneration of HUF 250,000 per month. These fees include the honorarium for membership of the Audit Committee.

In line with the above, the following payments were made to Supervisory Board members in 2023:

Annual gross HUF values	Financial remuneration							Other remuneration
	Basic wages	Honorarium	Total of fixed components of the remuneration	Quarterly or annual bonus	Total of variable components of the remuneration	Total financial remuneration	Percentage of variable components	
Károly Redling, Chairman of the Supervisory Board		3 000 000	3 000 000		-	3 000 000	0%	-
György Martin Hajdu, Member of the Supervisory Board		2 400 000	2 400 000		-	2 400 000	0%	-
György Martin Hajdu, Member of the Supervisory Board		2 400 000	2 400 000		-	2 400 000	0%	-

The components of the remuneration are in line with the Executive Remuneration Policy.

b. Remuneration of Directors not employed by the Company

Directors who are not employed by the Company receive only a fixed monthly fee in this capacity. The amount of the honorarium for the financial year 2023 was decided by the General Meeting of the Company: directors not employed by the Company were entitled to receive a remuneration of HUF 250,000 per month per member.

In line with the above, the following payments were made to Directors not employed by the Company in 2023:

Annual gross HUF values	Financial remuneration							Other remuneration
	Basic wages	Honorarium	Total of fixed components of the remuneration	Quarterly or annual bonus	Total of variable components of the remuneration	Total financial remuneration	Percentage of variable components	
Jenő Nagy, Member of the Board of Directors		3 000 000	3 000 000		-	3 000 000	0%	-

The components of the remuneration are in line with the Executive Remuneration Policy.

c. Remuneration of Directors employed by the Company

Remuneration based on employment consist of the following variable and other components:

- Financial remuneration
 - o Wages
 - o Quarterly bonus
- Share-based remuneration
 - o Employee shares / dividends on employee shares
 - o Participation in the employee stock ownership organisation
- Other remuneration
 - o the provision of a mobile phone free of charge and bearing the telecommunications costs associated with its use, including both workplace and private use;
 - o the provision of vehicle use free of charge and bearing the associated costs (fuel costs, insurance and other vehicle maintenance-related costs, deductible in case of any damages);
 - o full reimbursement of all travel-related costs in connection with work-related travel both abroad and domestic travel (travel, accommodation, catering costs);

Remuneration of Directors employed by the Company:

Payments in 2023, in line with the above:

Financial and other remuneration

Annual gross HUF values	Financial remuneration							Other remuneration
	Basic wages	Basic wages received from subsidiaries ¹	Total of fixed components of the remuneration	Quarterly or annual bonus	Total of variable components of the remuneration	Total financial remuneration	Percentage of variable components	
Guy Dymshiz, Co-Chief Executive Officer, Member of the Board of Directors	11 904 322		11 904 322		-	11 904 322	0%	3 434 432
Doron Dymshiz, Co-Chief Executive Officer, Member of the Board of Directors	12 362 123	1 327 198	13 689 321		-	13 689 321	0%	2 284 132
Ferenc Máté, Deputy Chief Executive Officer, Member of the Board of Directors	5 831 999	648 001	6 480 000		-	6 480 000	0%	5 982 833
Dániel Schilling, Finance Director, Member of the Board of Directors	16 800 000		16 800 000	1 679 400	1 679 400	18 479 400	9%	5 628 310

Variable remuneration

The bonus is a quarterly bonus that qualifies as wages under the Remuneration Policy and is provided at the discretion of the Board of Directors without any separate conditions. In light of the labour law regulations pertaining to the payment of the bonus, the Company has no possibility to reclaim the bonus.

Share-based remuneration

The Company uses two types of share-based remuneration structures to motivate its executives and employees in the interest of the validation of shareholder interests: with employee preferential shares and employee stock ownership plans.

If the Company provides shares, any shares obtained or drawn down contrary to the rules pertaining to the given share allocation may be reclaimed by the Company in line with the rules pertaining to the given share allocation.

¹ Remuneration received from companies in the Group: Of the members of the Board of Directors, Doron Dymshiz and Ferenc Máté received remuneration from another company in the Group for their position in Impact Alapkezelő Zrt.

In the year 2023, the following gross employee dividends were paid on Series "B" employee shares with dividend preferences for Board members:

	Employee share dividend, Ft
Guy Dymischiz, Co-Chief Executive Officer, Member of the Board of Directors	52 379 325
Doron Dymischiz, Co-Chief Executive Officer, Member of the Board of Directors	4 122 675
Ferenc Máté, Deputy Chief Executive Officer, Member of the Board of Directors	29 025 000
Dániel Schilling, Finance Director, Member of the Board of Directors	16 653 675

In 2023, the following stock options were exercised by board members:

	Employees 2022 Program		2020/2022 Program		2021/2023 Program	
	Pieces	Call price	Pieces	Call price	Pieces	Call price
Guy Dymischiz, Co-Chief Executive Officer, Member of the Board of Directors	1 775	0 Ft				
Doron Dymischiz, Co-Chief Executive Officer, Member of the Board of Directors	1 780	0 Ft				
Ferenc Máté, Deputy Chief Executive Officer, Member of the Board of Directors	1 063	0 Ft	100 000	511 Ft	42 105	475 Ft
Dániel Schilling, Finance Director, Member of the Board of Directors	2 109	0 Ft	70 660	511 Ft	42 105	475 Ft

At the date of this report, Board members are participating in the following ongoing option schemes:

	2022/2024 Program		2023/2025 Program		2023/2033 Program	
	Pieces	Call price	Pieces	Call price	Pieces	Call price
Guy Dymischiz, Co-Chief Executive Officer, Member of the Board of Directors					1 719 394	400 Ft
Ferenc Máté, Deputy Chief Executive Officer, Member of the Board of Directors	33 700	520 Ft	33 700	508 Ft		
Dániel Schilling, Finance Director, Member of the Board of Directors	40 000	520 Ft	40 000	508 Ft		

Employees 2022 Program

On 20 April 2021, the Board of Directors approved by resolution of the General Meeting of Shareholders the Company's Employees 2022 Share Award Plan, under which all employees of the Group in Hungary employed since 1 April 2021 will receive a share award in 2023 equal to their average salary in 2021, subject to the fulfilment of performance conditions. Under the plan, the Company transferred a total of 35 014 ordinary shares with a nominal value of HUF 5 each to its employees during the month of May 2023.

Employees 2023 and 2024 Programs

Members of the Board of Directors, like other employees of the Group in Hungary, are entitled to a share bonus equal to one month's average salary, subject to the fulfilment of performance conditions. The number of shares is subject to the share price determined by the General Meeting of Shareholders which determines the fulfilment of the performance condition and cannot be determined at this time. The awards for these two schemes are not included in the above table.

2020/2022 Program

The conditions for the validity of the program launched by General Meeting resolution 29/2020 (17 April) were established by the Board of Directors' resolution 23/2022 (27 April). A total of 311,990 share options became exercisable, of which the members of the Board of Directors were entitled to 170,660. The options were exercised in 2023.

2021/2023 Program

A total amount of HUF 100 million was set aside for the scheme launched by the General Meeting of Shareholders' resolution of 29/2021 (20 April), with a total amount of HUF 20 million for each of 5 persons. Participants are entitled to a number of shares equal to the ratio of the amount of the allocation to the exercise price determined by the General Meeting of 27 April 2023. The General Meeting of the Company, by its resolution 24/2023 (27 April), set the option purchase price at HUF 475 per share, so that the number of shares that could be exercised was 210 526, of which the members of the Board of Directors are entitled to 84 210 shares. The performance condition is that the consolidated turnover of the Company for the financial year 2022 exceeds the consolidated turnover of the Company for the financial year 2020. The options were exercised in 2023.

2022/2024 Program

Under the plan launched by the General Meeting of Shareholders on 27 April 2022, 250,000 share options may be exercised at a price of HUF 520 per share, of which the members of the Board of Directors are entitled to 73,700. The performance condition is that the consolidated turnover of the Company for the year 2023 exceeds the consolidated turnover of the Company for the financial year 2021. The exercise period is 2 years from the day following the date of the General Meeting of Shareholders that adopts the Company's annual accounts for 2023.

2023/2025 Program

Under the scheme launched by General Meeting resolution 25/2023 (27 April), 250 000 share options may be exercised at a price of HUF 508 per share, of which the members of the Board of Directors are entitled to 73 700. The performance condition is that the consolidated turnover of the Company for the year 2024, excluding the MyCity property development activities, exceeds the consolidated turnover of the Company for the financial year 2022, calculated in the same way. The exercise period is 2 years from the day following the date of the General Meeting of Shareholders adopting the Company's annual accounts for 2024.

2023/2033 Program for the Founder and Executive Director

In the plan launched by the General Meeting of Shareholders' resolution 4/2023 (9 May), 1 719 394 share options may be exercised at a price of HUF 400 per share, of which the members of the Board of Directors are entitled to 1 719 394 shares, in the form of a capital increase. The performance condition is that the Company's adjusted consolidated EBITDA reaches a cumulative total of EUR 34 million in any two consecutive financial years by the end of the financial year 2032, subject to the achievement of specific intermediate performance targets. Both the performance targets and the strike rate will increase at a rate of inflation in excess of 6%.

The components of the remuneration are in line with the Executive Remuneration Policy.

2. Presentation of the Company's performance and the annual changes of remuneration in the 2021-2023 business years

The Company prepares its remuneration report based on Act LXVII of 2019 on the Encouragement of Long-Term Shareholder Engagement and Amendments of Certain Regulations for the Purposes of Legal Harmonisation for the third time, for which reason the Remuneration Report contains comparisons regarding years 2021-2023, in line with Section 29 (4) of the Act.

	2023	2022	2021	2023/2022	2022/2021
Taxed profit (HUF thousand)	2 934 517	1 387 142	1 075 724	112%	29%
Remuneration of the members of the Board of Directors (gross HUF/person/year)	16 787 076	13 140 001	13 468 172	28%	-2%
Average remuneration of employees (gross HUF/person/year)	10 431 670	9 232 623	7 403 765	13%	25%

2023

The average per capita remuneration of Board members (including total cash and other remuneration) increased by 28% from 2022 to 2023. Within this, total cash remuneration decreased by 11% due to a decrease in quarterly bonus payments and other remuneration increased by 226% due to the use of cars by senior executives.

The average remuneration of the Company's employees increased by 25% during 2022.

2022

Average per capita remuneration (including total cash remuneration and other remuneration) of Board members decreased by 2% from 2021 to 2022. Within this, total cash remuneration increased by 22% and other remuneration decreased by 70% due to temporary cessation of car use.

The average remuneration of the Company's employees increased by 25% during 2022.

3. Deviations from the remuneration policy, presentation of exceptional circumstances, and identification of specific elements

No deviations took place from the Remuneration Policy in 2023.

4. Considering the outcome of the vote of the General Meeting of Shareholders on the remuneration report for the financial year 2022

The General Meeting of Shareholders of the Company unanimously adopted the remuneration report of the Company for the financial year 2022 by General Meeting resolution 30/2023 (27 April) with 150,131,160 votes in favour, 0 votes against and 0 abstentions. The result of the vote was taken into account by the Company.

Budapest, 8 April 2024

The Company's Board of Directors